



## COMMONWEALTH of VIRGINIA

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COMPTROLLER

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February 1, 2002

### MEMORANDUM

To: Fiscal Officers, State Agencies and Institutions of Higher Education

From: David A. Von Moll

Subject: VRS Rate Reduction

This provides additional information regarding implementation of the VRS rate reduction announced in the memorandum from DPB broadcast earlier today. I want to reiterate for emphasis, these changes in no way affect retirement benefits of state employees. They will simply change the way in which employer contributions to VRS are collected.

This rate change will be retroactively applied to the December 25 – January 9 and January 10 – January 24 pay periods. For the expenditures already charged to your agency, the Department of Accounts will process January expenditure credit transactions to reduce agency expenditures for January contributions. The Department of Accounts will make every effort to record these expenditure credit transactions to the same accounting coding to which they were originally charged. However, certain agencies with multiple retirement rate applications (e.g., classified employee and VALORS) and/or buyback scenarios may need to make adjusting journal entries via Agency Transaction Vouchers.

Effective with the January 25 – February 9 pay period (February 15, 2002 payday), contribution rates for VRS administered programs will be adjusted to the new rate. On the night of February 1, 2002, DOA will adjust all retirement rates within CIPPS accordingly. No action will be required by agencies.

Thank you for your attention to this matter. Any questions regarding accounting transactions should be addressed to Randy McCabe, Manager of General Accounting, at 804-225-2244 or [LMcCabe@doa.state.va.us](mailto:LMcCabe@doa.state.va.us). Questions regarding the retirement rates in CIPPS should be addressed to Lora George, Assistant Manager, Payroll Operations, at 804-225-2245 or [LGeorge@doa.state.va.us](mailto:LGeorge@doa.state.va.us).